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SUBCOMMITTEE ON DOMESTIC AND INTERNATIONAL MONETARY POLICY, TRADE AND TECHNOLOGY Congress of the United States House of Representatives

Washington, DC 20515

NYDIA M. VELÁZQUEZ

12TH DISTRICT, NEW YORK

CONGRESSIONAL CALICUS FOR

WOMEN'S ISSUES

CONGRESSIONAL PROGRESSIVE CAUCUS

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March 10, 2006

NYCHA, Operations Committee PO Box 3422 New York, NY 10008-3422

To Whom It May Concern:

As the Representative for New York's 12<sup>th</sup> Congressional District and a Member of the House Subcommittee on Housing and Community Opportunity, I am writing to express my concern about NYCHA's proposed fee increases for sales and services, as well as certain excess utility costs. Though I understand NYCHA's stated purpose in adjusting fees is due to increased costs and dwindling federal funds, I am concerned about the process by which the agency has moved forward in implementing these increases.

It is my understanding that NYCHA's Board of Directors is charged with meeting regularly to monitor and adjust fees for services. The Board has not seen the need to increase fees for more than a decade, however, and has been able to adequately manage and maintain its properties, seemingly without any problems. I am, therefore, unclear about what has precipitated the need for the sudden proposal of such drastic one-time increases that will adversely affect residents. For example, the following items are slated for proposed fee increases that would more than double or nearly triple the cost to residents: overflow escutcheon, clothes pole, key duplication, lock – escutcheon plate, outlets – receptacle, heating valve, freezer door, compressors, and thermopane glass. Residents will also be subject to new \$50 fees for after hours services by emergency services department that used to entail no charge such as stoppage, lockout service and retrieval of keys from compactors or elevator pits. NYCHA should not expect tenants to make up for its shortfalls.

Despite outreach efforts by NYCHA, many residents have contacted my office complaining about not receiving proper notification about the fee increases. It is my understanding that NYCHA's only notification of residents was flyers and posted notices in lobbies. Given the strong possibility of flyers being removed from buildings, I urge the agency to ensure that every resident is aware of the increases by including the notice in a mailing to every tenant and its monthly resident newsletter, and by regularly monitoring postings to ensure they have not been removed. As many residents have indicated that they did not receive notification about the public comment period, I also urge NYCHA to extend the deadline for public comment.

As fee increases represent an amendment to the Annual Plan, NYCHA should conduct the requisite public hearing, in addition to soliciting comments from residents. This is essential to maintaining the integrity of the Annual Plan process and ensuring that adequate resident participation has taken place. Such a forum will also provide NYCHA with a forum for explaining the methodology behind its fee increases. Furthermore, by engaging residents in a process that affects them directly, NYCHA may receive alternate cost saving ideas.

Finally, I also urge NYCHA to implement exemptions for residents with financial hardship, such as elderly or disabled individuals, as some fee adjustments represent more than 50 percent increases. Many residents live on fixed-incomes and are not prepared to take on an unexpected expense such as those associated with maintaining the safety and proper functioning of their apartments. With skyrocketing energy costs, a tight labor market and decreased federal support for important social service programs, low-income families throughout the City are struggling to make ends meet. NYCHA must not further burden these already strained families by imposing exorbitant fee increases.

Many residents understand the rising cost of materials and labor associated with the upkeep of their units. However, they are troubled by the process by which the fee increase proposal has progressed thus far, and are concerned about being held liable for everyday wear and tear of their apartments.

I am confident that your thorough review of the comments you receive will ensure an implementation process that best meets the needs of both residents and NYCHA. I look forward to working with you on this important issue.

Sincerely,

Nydia M. Velázquez Member of Congress